

**CITY OF LAURINBURG
CITY COUNCIL MEETING
JANUARY 20, 2026
CITY HALL AND POLICE DEPARTMENT
303 WEST CHURCH ST.
6:00 PM**

Minutes

1. CALL TO ORDER

The City Council of the City of Laurinburg held its regular meeting on Tuesday, January 20, 2026, in the Council Chambers of the City Hall and Police Department at 6:00 p.m. with the Honorable James T. Willis, Mayor, presiding. The following Councilmembers were present: Mary Jo Adams, DeMarco Allen, James McLean, Rosemary Rainer, and Andrew G. Williamson, Jr.

Also present were Charles D. Nichols III, City Manager; William P. Floyd, Jr., City Attorney; Amanda K. Futrell, City Clerk; Brooke Bathie, Deputy City Clerk; Harold W. Haywood, Budget and Management Services Director; Walker McCoy, Community Development Director; Jennifer McGirt, Finance Director.

Mayor Willis called the meeting to order at 6:00 p.m. Mayor Willis gave the Invocation and led the Pledge of Allegiance.

2. APPROVAL OF AGENDA

Mayor Pro Tem Rainer moved to approve the agenda, as presented. Councilmember Allen seconded the motion. The vote was unanimous.

3. PUBLIC COMMENT PERIOD

There was no one present to speak.

4. CONSENT AGENDA

Mayor Willis read aloud the Consent Agenda:

- a. Consider the approval of the draft minutes for the December 16, 2025, Organizational Meeting and Regular Meeting.

- b. Set a public hearing for Tuesday, February 17, 2026, at 6:00 p.m. to consider a request to rezone 18200 Wagram Road (Parcel No. 0203060100704) from Residential-20MH to General Business.
- c. Consider the semi-annual surplus property sold report.
- d. Consider approval of the Internal Controls Policy related to ARPA Projects for the City of Laurinburg.
- e. Consider Ordinance No. O-2026-01 to Amend the Fiscal Year 2025-2026 Annual Budget Appropriations Ordinance No. O-2025-17 to appropriate the Rescue Grant Funding, the required City match, and related expenditures.
- f. Consider Ordinance No. O-2026-02 to Amend the Fiscal Year 2025-2026 Annual Budget Appropriations Ordinance No. O-2025-17 to reduce the revenue received for School Resource Officers for Scotland County Schools.

Councilmember Adams moved to approve the Consent Agenda. Mayor Pro Tem Rainer seconded the motion. The vote was as follows:

Ayes - Adams, Allen, McLean, Rainer, Williamson.

Nays - None.

(Copy of Ordinance No. O-2026-01 and Ordinance No. O-2026-02 are on file in the Clerk's office)

5. CITY MANAGER REPORTS

- a. Fiscal Year 2024-2025 Audit Results Presentation - Carl Head - Roche, Head & Associates, PLLC.

The City Manager introduced Mr. Carl Head, of Roche, Head & Associates, PLLC, to present the City's Fiscal Year 2024-2025 audit findings.

Mr. Head began his review of the City's audit findings by stating that there is a reasonable level of assurance provided, not an absolute level of assurance, meaning that the financial statements are free from material misstatement. He explained that, if there is believed to be a reasonable level of assurance in the financial statements, then auditors will opine, or express an unmodified opinion, about them. He then reviewed each finding with Council.

Mr. Head stated that there was a decrease in the General Fund balance of \$359,265 from 2021 to 2025. He then displayed a five-year schedule for the Electric, Water and Solid Waste Enterprise Funds, explaining that there was an increase of \$706,982 in the Electric Fund, a decrease of \$92,816 in the Water Fund, and an increase of \$180,599 in the Solid Waste Fund. Mr. Head noted that the cash totals were \$4,719,000 for the General Fund, \$1,393,000 for the Electric Fund, \$1,566,897 for the Water Fund, \$469,971 for the Solid Waste Fund, and \$8,148,951 as the grand total.

Mr. Head presented the statement of cash flow for each of the Enterprise Funds, stating that the Electric Fund increased by \$1,750,000, the Water Fund increased by \$2,694,308, and the Solid Waste Fund increased by \$680,343. He explained that these figures determine whether the City is charging enough revenue per fund and if the City is receiving enough cash for operating activities. He noted that, based on these figures, there was an improvement in Enterprise Funds, from an operational standpoint.

Mr. Head stated that the available fund balance in the General Fund, as a percentage of the fund expenditures, is 45%. He explained that the general recommendation is to be at or above 8%, so the percentage the City is at is above average. Mr. Head reviewed performance indicators identifying areas that could require future City action, noting that he had previously discussed these items with the City Manager. He reported that the first two indicators reflected a General Fund loss of \$359,265 and a Water Fund fixed asset replacement item. He explained that the Water Fund item is not a concern, as the City is already in the process of replacing the asset and the indicator likely appeared due to a small percentage variance. Mr. Head stated that the remaining three performance indicators included a low cash balance in the Electric Fund relative to its expenses, an excess number of adjusting journal entries that will need improvement in the next fiscal year, and the need for more accurate property tax budgeting to better reflect actual revenues.

Mr. Head elaborated on the property tax budget performance indicator and provided an example of a scenario requiring corrective action. He explained that if the City collected \$3,577,000 in property taxes with a budget of \$3,900,000, representing approximately 92% of the budgeted amount, the Local Government Commission would likely request a near year-end budget amendment due to the expectation that the City collect 97% of its budgeted revenues. Mayor Willis asked whether 92% would be relatively favorable for the City of Laurinburg. Mr. Head clarified that the measure reflects the percentage of the budget collected, while the collection percentage is higher when measured against the tax levy. The City Manager stated that responses to the indicators will be prepared next month. He also noted that the City implemented these performance indicators

approximately four years ago and that they continue to evolve at the local government level.

Mayor Pro Tem Rainer asked to clarify that the City is well above the preferred 8% for the available fund balance in the general fund, standing at 45%. Mr. Head confirmed that the City exceeds the preferred percentage and explained that the 8% represents one month of cash, so by being at 45% the City has approximately five months of cash available.

Councilmember Williamson inquired about the City's in-house requirement for the minimum percentage of available funds, which is set at 16%. Mr. Head explained that there is nothing listed in the General Statutes that requires 8% and that it was just a discussion among the Local Government Commission.

The City Manager commended the Accounting and Finance Department for their diligent work during the audit process, while undergoing an organizational transition and having a four-person staff.

- b. Consider Resolution No. R-2026-01 Awarding Bid for the Bridge Creek & College Park Sewer Rehab-Point Repairs Project.

The City Manager provided a brief background on the Bridge Creek and College Park Sewer Rehab-Point Repairs Project. He stated that the City received \$8.9 million in state direct appropriations, assigned specifically to this project. He explained that this area of the sewer system has inflow and infiltration, meaning there is low sewer infrastructure in swamp and creek areas in which excess water will seep into the system and must be treated like regular wastewater. He added that, instead of building a new sewer system, this project is aimed at fixing the current structure to be able to accommodate this influx of water during heavy rain or flooding.

The City Manager stated that the City went out for bid on a full-package deal for the sewer rehab-point repairs project that exceeded the budgeted amount, so it was divided into phases. He stated that this is the first of four phases, involving images of all the sewer lines taken to locate and identify any areas of concern to administer point repairs.

He stated that the City went out for bid on October 14th and would have opened bids on November 18th but had received none, so the bid opening was readvertised on December 1st. He stated that one bid was received for \$2,690,060, which was within budget, and that value engineers reviewed and reduced the bid by \$300,000. The City Manager stated that Council is being asked to award the bid to Richard D. Suggs Construction, Inc. for \$2,391,826 to

photograph and administer point repair and rehab to the specified areas of concern.

Councilmember Allen asked to clarify that the project would be four phases and that this is just the first of the four phases. The City Manager confirmed that the first phase was to photograph and identify points of concern and administer point repair and rehab, then phases two and three will be to line the area within the sewer at Bridge Creek and College Park to reinforce it, and the fourth phase will be manhole rehabilitation. He reiterated that all four phases will total to \$8.9 million.

Mayor Pro Tem Rainer asked if Richard D. Suggs Construction, Inc. was the only bid received. The City Manager confirmed that it was, after bids for the project were opened twice, and noted that the City has previously worked with Richard D. Suggs Construction, Inc.

Councilmember Williamson moved to approve Resolution No. R-2026-01 Awarding Bid for the Bridge Creek & College Park Sewer Rehab-Point Repairs Project to Richard D. Suggs Construction, Inc. Councilmember Allen seconded the motion. The vote was as follows:

Ayes — Adams, Allen, McLean, Rainer, Williamson.
Nays — None.

(Copy of Resolution No. R-2026-01 on file in the Clerk's office)

The City Manager reiterated that the project will be funded entirely through state direct funding. Councilmember Adams added that the direct appropriations were secured through Representative Pierce and Senator Britt. The City Manager explained that recent state budgets included water and sewer direct appropriations of \$10 million, \$11 million, and \$20 million passed by state legislators. Councilmember McLean asked if the value engineer was in-house. The City Manager noted that Mr. Chuck Willis of Willis Engineers is the City's primary engineer. Mayor Willis discussed the \$60 million that the City has obtained for current and upcoming projects, inquiring if the additional \$30 million from the total \$60 million was low or no interest. The City Manager stated that the money comes from multiple avenues, explaining that some comes from revolving loan funds, which are zero-interest loans that were acquired through the Division of Environmental Quality (DEQ) at the state level, while others are through direct DEQ grant funding and direct DEQ low-interest loans.

- c. Discussion of the planning for the City of Laurinburg's Sesquicentennial Celebration in February, 2027.

The City Manager stated that the City will celebrate its 150th birthday on February 12th, 2027. He noted that the City's Community Development Director, Mr. Walker McCoy, was present in the audience and is leading the Sesquicentennial Celebration efforts. The City Manager stated that the need for a committee of people interested in planning and preparing for the celebration throughout the year has been advertised on Facebook, and that there will be a meeting in early February for the ten to twelve people who have shown interest in joining thus far. He continued that there would be two positions on the committee for members of Council, maintaining quorum limits, and suggested the Mayor for one of the seats.

Mayor Willis stated that he would be happy to be a part of the committee. Councilmember McLean stated that he is interested in joining the committee as well.

Mayor Willis noted that Laurinburg predates Scotland County, as the City was incorporated when the area was still part of Richmond County. Councilmember Adams stated that a citizen, Ms. Betty Barrett, provided a box of materials from the City's 100th anniversary that could be used for inspiration.

The City Manager advised that the committee be composed before the budget process begins to set aside the appropriate funds for the celebration.

d. Consider dates for Citizen Input Session and Budget Retreat.

The City Manager stated that Council must call for a Special Meeting to host a Citizen Input Session and begin discussing the budget, and has proposed February 17th, 2026 at 5:00 p.m., prior to the Regular Meeting scheduled for 6:00 p.m. that evening. He explained that the Citizen Input Session is for any citizen who wishes to express their input on the next fiscal year budget, and that it is advertised for people to submit their comments electronically if they are not able to attend the meeting.

Councilmember Adams moved to approve the Citizen Input Session and Budget Retreat meeting, set for February 17th at 5:00 p.m. in the Council Chambers of the City Hall and Police Department, as presented. Councilmember McLean seconded the motion. The vote was unanimous.

6. APPOINTMENTS

a. Southeast Regional Airport Authority — Mayor's Appointment.

Mayor Willis stated that he has re-appointed Mr. Thomas Ammons as Chair of the Southeast Regional Airport Authority, stating that he was sworn in by the City Clerk. He emphasized that there have been many exciting developments at the airport and noted that when the Board's by-laws were amended, the terms were staggered, so now they are all four-year appointments. He explained that this is a helpful change, as there will always be some institutional knowledge situated on the Board.

7. COMMENTS FROM MAYOR AND/OR COUNCILMEMBERS

Councilmember Adams stated that there are many great things happening at the airport, including new buildings, T-hangars, and planning for the second annual Air Show to be held the weekend of October 17th, 2026. She noted that there is no cost for Council to attend, in response to Councilmember Allen's question. Mayor Willis added that early tickets for the annual air show are discounted and prices increase as it gets closer. Councilmember Adams added that the children's STEM Day is a \$5 charge per student. She also announced that the weekend of April 17th is the annual Suds & Swine fundraiser, adding that that Friday night is the Chamber After Five event.

The City Manager provided a brief update on the rail car stage that is being constructed in McDuffie Square, stating that it is still on track for the March to April timeline.

Councilmember McLean highlighted the recent and upcoming Dr. Martin Luther King Jr. celebrations, and noted Councilmember Allen, Mayor Pro Tem Rainer and Councilmember Adams attendance at the most recent event.

8. CLOSED SESSION (Economic Development)

Mayor Pro Tem Rainer moved to enter Closed Session at 6:34 p.m. pursuant to NCGS 143318.11(a)(4) to discuss economic development. Councilmember Williamson seconded the motion. The vote was unanimous.

Mayor Pro Tem Rainer moved to adjourn the closed session and return to the open meeting. Councilmember Williamson moved to second the motion, and unanimously carried to adjourn the meeting.

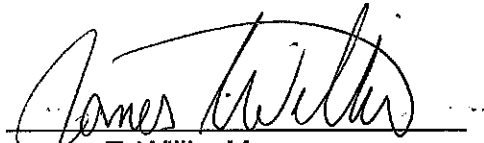
Closed Session was adjourned at 7:43 p.m.

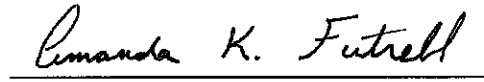
Mayor Willis stated that he and the City Manager have established a recurring meeting with the County Manager and a County Commissioner to discuss City and County matters, noting that County Commissioner Frizzell attended the first meeting.

9. ADJOURNMENT

Motion was made by Councilmember Williamson, seconded by Councilmember Adams, and unanimously carried to adjourn the meeting.

The meeting was adjourned at 7:44 p.m.


James T. Willis, Mayor


Amanda K. Futrell, City Clerk